

## **The complaint**

Mr C and Mrs V complain because American International Group UK Limited trading as AIG UK has refused to pay a travel insurance claim for cancelled flights.

This complaint has been brought to us by a representative. While Mr and Mrs B are parties to this complaint and have the same representative, this decision relates primarily to Mr C and Mrs V, so only they are mentioned. All references to Mr C and Mrs V's submissions include those of their representative, where relevant.

## **What happened**

Mr C bought four flights and a travel insurance policy, provided by AIG, covering himself, Mrs V, Mr B and Mrs B. No medical screening was completed when the policy was purchased, as the policy doesn't offer any cover for claims for pre-existing medical conditions.

Unfortunately, Mrs V fell ill and the group were unable to travel, so Mr C made a claim under the policy with AIG for his unrecoverable costs.

AIG said the claim wasn't covered because it arose from Mrs V's pre-existing medical conditions. Mr C and Mrs V disputed this and complained to AIG, saying the claim actually arose from typhoid fever, which wasn't related to pre-existing medical conditions. AIG maintained its stance and, unhappy, Mr C and Mrs V brought a complaint to the attention of our service.

One of our investigators looked into what had happened and said she was satisfied there was evidence of blood test results which may show a diagnosis of typhoid fever. She recommended that AIG should reassess the claim. AIG didn't agree with our investigator's recommendations, so the complaint was referred to me as the final stage in our process.

I made my provisional decision about this complaint in June 2025. In it, I said:

*'Industry rules set out by the regulator say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when making my decision about Mr C and Mrs V's complaint.'*

*The terms and conditions of this policy say that pre-existing medical conditions are not covered. The travel insurance claim form and the doctor's note sent to AIG by Mr C and Mrs V both say that Mrs V's pre-existing medical conditions are the reason for the claim, which would mean the claim isn't covered.*

*I understand Mrs V was subsequently diagnosed with typhoid fever, which Mr C and Mrs V say was the true reason for the claim and this was unrelated to the pre-existing medical conditions. Mr C and Mrs V have provided blood test results as evidence in support of this.*

*However, the blood test results are stated to be for a patient who is recorded as having both a different first name and a different surname to Mrs V. I understand Mr C and Mrs V's*

*representative has given us what she thinks is the explanation as to why this might be. While I don't doubt what Mr C and Mrs V's representative has told us in general terms, she wasn't present at the time, so I can't fairly conclude this is what is likely to have happened here. The blood test results, perhaps unhelpfully, don't contain a date of birth so it's not possible to use this as a factor to determine whether they are likely to relate to Mrs V either.*

*I've considered all the available information in this case, including the 'Statement of Fitness for Work' subsequently issued by Mrs V's GP, but there's simply no evidence to support a conclusion that Mrs V had typhoid fever.*

*In any event, the policy also excludes cover where the policyholder was aware of circumstances which might lead to a claim before taking out the policy. It appears, based on the information I've seen, that Mrs V was unwell before the policy was taken out (regardless of whether her and Mr C were aware at the time of the actual cause of that illness). So, I don't think the claim would be covered anyway.*

*I'm sorry to disappoint Mr C and Mrs V. It's clear they have been through a difficult time and have faced some significant personal challenges. I also appreciate the financial implications of AIG's decision to turn down the claim on them. But I must reach an independent and impartial conclusion based on what I think is fair and reasonable to both parties to this complaint. And it wouldn't be fair or reasonable to direct AIG to accept this claim based on the information which is available.*

*I understand Mr C and Mrs V have mentioned seeking a refund of the premium they paid for this policy. However, the cancellation and refund rights set out in the policy terms and conditions don't apply in these circumstances. AIG carried the risk of a valid claim being made and the fact that this claim was turned down doesn't entitle Mr C and Mrs V to or mean it would be fair and reasonable for them to receive a refund of the premium.*

*I can see AIG noted that Mr C and Mrs V were requesting a callback and this never happened but, overall, I'm satisfied AIG handled this claim in the manner and within the timeframes I'd expect. So, I don't currently intend to direct AIG to do anything more.'*

Mr C and Mrs V didn't accept my provisional decision. AIG didn't respond.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I understand Mr C and Mrs V feel AIG should have understood their situation and provided them with a better outcome, and they thought having a travel insurance policy would be beneficial. However, travel insurance policies aren't designed to cover every situation and particularly not a situation where a policyholder is ill before the policy is taken out.

My provisional decision set out the reasons why I don't think this claim is covered, and why I don't think AIG acted unfairly or unreasonably in the circumstances, so I won't be telling AIG to do anything further.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B, Mr B, Mr C and Mrs V to accept or reject my decision before 7 August 2025.

Leah Nagle  
**Ombudsman**